

Remarks

Applicants respectfully request reconsideration of the present U.S. Patent application as amended herein. Claims 1, 3, 11, 13, 21, 23 and 24 have been amended. Claims 9 and 19 were previously canceled. No claims have been added. Thus, claims 1-8, 10-18 and 20-30 are pending.

CLAIM REJECTIONS - 35 U.S.C. § 101

Claims 24-30 were rejected as being directed to non-statutory subject matter. Specifically, the Office Action of December 1, 2003 states that "...claim 24 does not seem to fall within one of these recognized categories." See page 2. The Office Action further states that the ... "data signal, does not define structural and functional interrelationships between the data signal and other claimed elements of the invention, which permit the data signal's functionality to be realized." See page 2.

Claim 24, as amended, recites:

A digital data signal embodied in a data communications medium shared among a plurality of network devices having a processor, the digital data signal comprising instructions that, when executed, cause the processor to provide digital audio programming, the digital data signal comprising license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license having been created by a license management device, wherein a set of playback devices receive the digital data signal in response to one or more commands issued by the license management device and authorize playback of digital audio data if the license included in the computer data signal matches at least one license stored in the digital audio data.

Thus, Applicants claim a data signal that includes instructions that, when executed by a processor, perform certain functions. Claims 25-30 depend from claim 24.

Applicants submit that claim 24, as amended, is directed to statutory subject matter. Accordingly, Applicants request that the rejection of claims 24-30 as being directed to non-statutory subject matter be withdrawn.

CLAIM REJECTIONS - 35 U.S.C. § 102(e)

Claims 1-8, 10-18 and 20-30 were rejected as being anticipated by U.S. Patent No. 5,926,624 issued to Katz, et al. (*Katz*). For at least the reasons set forth below, Applicants submit that claims 1-8, 10-18 and 20-30 are not anticipated by *Katz*.

Claim 1 recites the following:

creating a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license created by a license management device;
transmitting, via first network connection, information corresponding to the first license to a content provider from the license management device;
transmitting, via a second network connection, the first license to a first set of playback devices from the license management device, wherein the first set of playback devices is less than or equal to the first cardinality;
storing the first license in the first set of playback devices in response to a command from the license management device; and
determining whether playback of digital audio content received from the content provider is authorized by comparing the first license with the digital audio content with the first set of playback devices.

Thus, Applicants claim generating, with a license management device, a license having an associated cardinality. Information related to the license is transmitted from the license management device to a content provider. The license is transmitted to a number of playback devices less than or equal to the cardinality. The playback devices compare the license to digital audio content to determine whether playback is authorized. Claims 11 and 21 recite similar limitations.

Katz discloses a digital library and a mobile playback device that can be used to play digital content from the digital library. See Figure 2. *Katz* discloses that playback devices can be members of one or more groups. See col. 12, lines 39-67. However, *Katz* does not disclose a license with a cardinality that is generated by a license management device where information related to the license is provided to a content provider and the license is transmitted to a number of playback devices less than or equal to the cardinality. Therefore, *Katz* does not anticipate the invention as claimed in claims 1, 11 and 21.

Claims 2-8 and 10 depend from claim 1. Claims 12-18 and 20 depend from claim 11. Claims 22 and 23 depend from claim 21. Because dependent claims include the limitations of the claims from which they depend, Applicants submit that claims 2-8, 10, 12-18, 20, 22 and 23 are not anticipated by *Katz* for at least the reasons set forth above.

Claim 24 recites:

A digital data signal embodied in a data communications medium shared among a plurality of network devices having a processor, the digital data signal comprising instructions that, when executed, cause the processor to provide digital audio programming, the digital data signal comprising license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license having been created by a license management device, wherein a set of playback devices receive the digital data signal in response to one or more commands issued by the license management device and authorize playback of digital audio data if the license included in the computer data signal matches at least one license stored in the digital audio data.

Thus, Applicants claim a digital data signal transmitted over a data communications medium having instructions that, when executed by a processor, cause the processor to perform specific functions. For example, the data signal can include a license having a

cardinality that indicates the number of playback device that can be authorized for playback of associated digital audio content.

As described above, *Katz* discloses that playback devices can be members of one or more groups. See col. 12, lines 39-67. However, *Katz* does not disclose that a generated license has a cardinality that indicates a number of playback devices that can be authorized by the license. That is, *Katz* discloses Group IDs, but not a cardinality associated with a license or Group ID that indicates a number of playback devices that can be authorized using the license. Therefore, *Katz* does not anticipate the invention as claimed in claim 24.

Claims 25-30 depend from claim 24. Because dependent claims include the limitations of the claims from which they depend, Applicants submit that claims 25-30 are not anticipated by *Katz* for at least the reasons set forth above.

CONCLUSION

For at least the foregoing reasons, Applicants submit that the rejections have been overcome. Therefore, claims 1-8, 10-18 and 20-30 are in condition for allowance and such action is earnestly solicited. The Examiner is respectfully requested to contact the undersigned by telephone if such contact would further the examination of the present

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application. Please charge any shortages and credit any overcharges to our Deposit

Account number 02-2666.

Respectfully submitted,
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